

No. 54601

CHARTER

Brown & Root

Inc.

Austin, Texas,

2 1982

NO. 54621

CHARTER OF

Ensor & Root, Inc.
Irving, Texas

1-3

Capital Stock.....	\$ <u>200000 00</u>
Filing Fee.....	\$ <u>240 00</u>
Franchise	\$ <u>83 10</u>
Remarks:	<u>50 years</u>
	<u>all paid</u>

(3)

FILED IN THE OFFICE OF THE
SECRETARY OF STATE

THIS 2 DAY OF July 1929

Walter J. Barnes
Secretary of State

19199

STATE OF TEXAS,

COUNTY OF TRAVIS.

KNOW ALL MEN BY THESE PRESENTS:

OK

7-2-29

H.L.D.

That we, Herman Brown and Margaret Root Brown, citizens of Travis County, Texas, and George R. Brown, a citizen of Harris County, Texas, under and by virtue of the laws of this state, do hereby voluntarily associate ourselves together for the purpose of forming a private corporation under the terms and conditions hereinafter set out, as follows:

I.

The name of this corporation is Brown & Root, Inc.

II.

The purpose for which it is formed is to contract for the erection, construction or repair of any building, structure or improvement, public or private, and erect, construct or repair same, or any part thereof, and to acquire, own, prepare for use any materials for said purposes.

III.

The places where the business of the corporation is to be transacted are at Austin, in Travis County, Texas, and at Houston, in Harris County, Texas, and the principal office and place where the business of the corporation is to be transacted is at Austin, in Travis County, Texas.

IV.

The term for which it is to exist is fifty years.

V.

The number of directors shall be three, and the names and residences of those who are appointees for the first year are as follows:

Herman Brown, Masonic Building, Austin, Travis County, Texas.

Margaret Root Brown, Masonic Building, Austin, Travis County, Texas.

George R. Brown, Post Dispatch Building, Houston Harris County, Texas.

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VI.

The amount of capital stock is Two Hundred Thousand (\$200,000.00) Dollars, -divided into two thousand(2000) shares of One Hundred(\$100.00)Dollars each, - all of which capital stock has been subscribed and paid in as per affidavit attached hereto.

IN TESTIMONY WHEREOF, we hereunto sign our names,
this the 25th day of June, A. D. 1929.

Herman Brown

Margaret Root Brown

George R. Brown

STATE OF TEXAS,

COUNTY OF TRAVIS.

BEFORE ME, Carl Burkhardt Jr.

A NOTARY PUBLIC, in and for Travis County, Texas, on this day personally appeared Herman Brown and Margaret Root Brown, both known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they each executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE 25

OF JUNE, A. D. 1929.

Carl Burkhardt Jr.,
NOTARY PUBLIC, TRAVIS COUNTY, TEXAS.

STATE OF TEXAS,

COUNTY OF HARRIS.

BEFORE ME, E. L. Lawrence

A NOTARY PUBLIC, in and for Harris County, Texas, on this day personally appeared George R. Brown, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE 25

June, A. D. 1929.

E. L. Lawrence,
NOTARY PUBLIC, HARRIS COUNTY, TEXAS.

STATE OF TEXAS,
COUNTY OF TRAVIS.

BEFORE ME, the undersigned authority, on this day personally appeared Herman Brown, Margaret Root Brown and George R. Brown, known to me, who having been duly sworn, upon Oath say, each for himself or herself:

That they are the identical parties who executed the Charter of Brown & Root, Inc., as incorporated; that the full amount of the capital stock of said Brown & Root, Inc., has been in good faith subscribed, and the full amount of said capital stock, that is, Two Hundred Thousand(\$200,000.00) Dollars, has been paid in, in cash and other property, as follows, to-wit:

The corporation has taken over the assets and assumed the liabilities of the partnership firm of Brown & Root, which has heretofore been engaged in the contracting business, and which was composed of the parties hereinafter listed as subscribers to the capital stock of this corporation; that due notice of the intention to incorporate has been given and published in the time and manner provided by law; that the property and assets taken and the liabilities assumed are as follows:

ASSETS

CASH IN BANK	\$17,746.82.
DEPOSITS	650.00.
ACCOUNTS RECEIVABLE	9,292.02.
NOTES RECEIVABLE	328.68.
DUE ON RETAINAGE & ESTIMATES	134,681.56.
PAVING CERTIFICATES	77,766.59.
CONSTRUCTION EQUIPMENT SCHEDULE A	75,560.91.
FURNITURE & FIXTURES SCHEDULE B	2,791.85.
REAL ESTATE SCHEDULE C	<u>27,000.00</u>
TOTAL	\$345,818.43.

LIABILITIES

NOTES PAYABLE	\$ 64,978.90.
ACCOUNTS PAYABLE	56,489.56.
DUE SUB-CONTRACTORS	1,253.95.
TOTAL	\$122,722.41.

NET VALUE OF ASSETS

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H' \$223,096.02.

That a full detailed and itemized statement of said assets and liabilities is hereto attached, marked Exhibit "A" and made a part hereof and the correctness of same is covered by this affidavit the same as if it had been copied in full herein; that as shown by said statement the net value of said assets is \$223,096.02, and which cash and property is taken by said corporation at the price of \$200,000.00, and said cash and property is of the cash value of Two Hundred Thousand(\$200,000.00)Dollars; that this corporation intends to and will carry on the contracting business which has heretofore been carried on by said partnership firm of Brown & Root, and all of said property is necessary to and will be used by the corporation in carrying on the business authorized by its charter; that the parcels of real estate at Georgetown and Austin, Texas, listed in the attached statement are used as warehouses and are necessary in the business, and the real estate at Houston, Texas, is necessary for the business in unloading and handling materials; that the subscribers to the capital stock of this corporation have subscribed for the amount respectively that their interests in said partnership firm amounted to; that the following are the names, residences and postoffice addresses of the parties subscribing to the capital stock:

NAMES	RESIDENCES	POSTOFFICE ADDRESSES.
HERMAN BROWN	Austin, Texas.	Masonic Building, Austin, Texas.
LARGARET ROOT BROWN	Austin, Texas.	Masonic Building, Austin, Texas.
GEORGE R. BROWN	Houston, Texas.	Post-Dispatch Bldg., Houston, Texas.
W. A. WOOLSEY	Austin, Texas.	Masonic Building, Austin, Texas.

That the amount subscribed by each and the amount paid by each, - such payments being in the manner indicated above,-are as follows:

NAMES	AMOUNT SUBSCRIBED	AMOUNT PAID IN.
Herman Brown	\$155,000.00	\$155,000.00
Margaret Root Brown	\$ 30,000.00	\$30,000.00.
George R. Brown	\$ 10,000.00	\$10,000.00.
W. A. Woolsey	\$ 5,000.00	\$ 5,000.00.

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That the property described in detail in the statement hereto attached and made a part hereof is free of debt and encumbrances except as set out and shown in said statement.

Herman Brown

Margaret Root Brown

Mary C. Brown

SWORN TO AND SUBSCRIBED BEFORE ME BY HERMAN BROWN
AND MARGARET ROOT BROWN, THIS THE 16th DAY OF JUNE, A. D. 1929.

George Burkhardt Jr.
NOTARY PUBLIC, TRAVIS COUNTY, TEXAS.

SWORN TO AND SUBSCRIBED BEFORE ME BY GEORGE R.
BROWN, THIS THE 27th DAY OF JUNE, A. D. 1929.

E. L. Lawrence
NOTARY PUBLIC, HARRIS COUNTY, TEXAS.

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That the property described in detail in the statement hereto attached and made a part hereof is free of debt and encumbrances except as set out and shown in said statement.

Herman Brown

Margaret Root Brown

George R. Brown

SWORN TO AND SUBSCRIBED BEFORE ME BY HERMAN BROWN
AND MARGARET ROOT BROWN, THIS THE 16th DAY OF JUNE, A. D. 1929.

Gene Burkhardt Jr.
NOTARY PUBLIC, TRAVIS COUNTY, TEXAS.

SWORN TO AND SUBSCRIBED BEFORE ME BY GEORGE R.
BROWN, THIS THE 27th DAY OF JUNE, A. D. 1929.

E. L. Lawrence
NOTARY PUBLIC, HARRIS COUNTY, TEXAS.

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ASSETS

CASH IN BANK	\$ 17,746.82
DEPOSITS	650.00
ACCOUNTS RECEIVABLE	9,292.02
NOTES RECEIVABLE	328.68
DUE ON RETAINAGE & ESTIMATES	154,681.56
PAVING CERTIFICATES	77,766.59
CONSTRUCTION EQUIPMENT SCHEDULE A	75,560.91
FURNITURE & FIXTURES SCHEDULE B	2,791.85
REAL ESTATE SCHEDULE C	27,000.00

TOTAL	\$ 345,818.43
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LIABILITIES

NOTES PAYABLE	\$ 64,978.90
ACCOUNTS PAYABLE	56,489.56
DUE SUB-CONTRACTORS	1,253.95

TOTAL	\$ 122,722.41
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NET VALUE OF ASSETS	\$ 223,096.02
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Exhibit A.

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Cash in Banks		\$ 17,746.82
American National Bank	\$ 341.59	
Union National Ck. a/c	7783.98	
Union National Payroll a/c	206.68	
Federal Trust Co., Houston	147.83	
American Trust Co.	1000.00	
Corpus Christi Nati.	4000.00	
First Natl. Bank San Augustine	817.21	
Wharton Bank & Trust Co.	204.19	
Security Bank & Trust Co. Wharton	522.07	
Petty Cash, Houston	4.73	
First Natl., Cameron	32.32	
Commercial Nati., Brady	188.93	
Chas Schreiner Bank, Kerrville	<u>2495.29</u>	
Deposits		650.00
Bid (Corpus Christi)	\$ 175.00	
City Gas. Dept. Corpus Christi	25.00	
Central Power & Ll. "	150.00	
Insurance	<u>500.00</u>	
Accounts Receivable		9,292.02
Uvalde Rock Asphalt Co.	\$ 84.48	
C. V. Chapman	50.00	
Peden Iron & Steel Co.	6.80	
O. L. Neyland	6,882.31	
L. H. Durst	50.00	
T. D. Smith	48.60	
W. A. Woolsey	154.49	
Walker & Elder	1,552.00	
Allen Smith	388.00	
Scott Schampaugh	30.00	
The Hedges Co.	14.40	
Standard Oil Well & Supply Co.	<u>30.94</u>	
Notes Receivable		329.68
Maner Graham	\$ 82.16	
H. M. Graham	82.16	
J. S. Castro	<u>164.36</u>	
Due on Retainage & Estimates		124,681.56
Eighteenth St. Houston	\$ 644.77	
Katy Road, Houston	20977.65	
Michaux St. "	6985.00	
Sam Rankin, Corpus Christi	5876.40	
Morgan Ave. "	15628.95	
Leopard St. "	3946.56	
Broadway "	707.75	
San Augustine	2412.00	
Fort Stockton	53751.48	
Odessa	24090.72	
Market St. Road, Houston	<u>560.28</u>	
Paving Certificates		77,766.59
City of Beeville	\$ 3083.49	
City of Ballinger	1419.73	
City of Brady	15796.10	
City of Hamilton	17992.21	
City of Weslaco	36789.86	
City of Rusk	2672.43	
City of Cameron	<u>4076.60</u>	\$ 82,730.42
Less Reserve for Doubtful		<u>4,963.83</u>

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Construction Equipment Schedule ...

✓73,660.91

San Augustine

1 Smith & 7 Mixer # 44743	* 903.86
1 Fordson Tractor # 19897	100.00
8 Wagons, Running Gear only	
@ .40.00	320.00
17 Hules C. 100.00	1,700.00
17 Fr. Harness without breeding	212.50
4 10 X 12 Tents	40.00
3 Freshoes 4"	45.00
2 Plows	20.00
2 Slips	3.00

✓3,343.36

Corpus Christi

1 Ford Coupe #3516855	* 00.00
1 Gas Motor 3 1/2 H.P. #3-14168	
1 Pump Motor 6 H.P. # 9169	100.00
1 Circle Saw	30.00
1 Sack Cleaver	250.00
2 Hand Trucks	40.00
1 Asphalt Plant Complete	3,500.00
1 F.W.M. Grain Model 200 B	
@ 3092 X	9,731.90
1 Butcher Plant	750.00
6 Freshoes	90.00
2 Plows	40.00
12 Hules	1,200.00
1 Asphalt Tank(Coat included in plant above)	
2 2" pumps	350.00
3 Wagons	
1 Water Jagon	195.00
1 Paver # 99391	5,500.00
1 Tool Box on Wheels	30.00
1 Fordson Roller	200.00
1 Road Machine	300.00
1 Small Mixer # 11487183	300.00
1 Springfield Roller	2,500.00
7 Wheelbarrows	70.00

25, 926.90

Brady

1 Bear Cat Machine # 34.1	4,000.00
1 Budic J.I.L.U. 174 #147421A	300.00
1 Marine Boiler	300.00
1 F. L. Smith Mixer #2990	200.00
1 Fairbanks Scale	50.00
1 Williams Crusher H-57	250.00
1 Elevator 35' x 4' x 1 1/2'	100.00
1 Line Shaft 3" x 12"	30.00
1 40 " steel Pulley	
1 24 " "	
1 18 " "	50.00
1 52 " "	
1 22 " "	
1 12 " "	
2 3000 Gal. Storage Tanks Galv.	
1 200 " " "	250.00
1 Ford Sedan # 83230	647.00
1 Ford Pick-up # 287534	512.15

0,899.15

Taylor

3 Storage Tanks 10,000 Gals.	295.00
1 Elevator Bucket & Elevator	100.00
1 Mixer	75.00

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470.00

{ Schedule A continued)

Houston-Market Street

1 Domestic Pump # 707	\$ 1,000.00
1 Ord Finishing Machine # 310	1,200.00
1 Lakewood Sub. Grader # 28439	150.00
1 Truck Furntable	165.67
1 Koehring Sub. Grader	83.33
1300' 2½" pipe - 10	150.00
2950' Steel Road Forms	1,770.00
1 Stoner Gas Engine 6 H.P. # KU182893	100.00
1 Worthington Pump # V11438	75.00
1 Ford Truck 1927	150.00
1 Asphalt Lattice 4 bbl. Capacity	45.00
1 7½" engine 1 Cylinder 1½ H.P.)	
1 Pump Jack - 314175	75.00
1 Carr Norm Grader Eng. #1505722	<u>1,300.00</u>
	6,565.00

Magazine Square

1 Fordson Gas-Automatic Roller	: 480.00
1 Chevrolet 1923 Truck	630.00
1 Asphalt Distrib. Ford Motor # 10131672	400.00
1 Small Boiler on Shovel	75.00
1 Oliver Tractor # 2014	800.00
1 2 Coil Garden Steam Pump #030	0.00
1 Liberty Truck	750.00
1 Austin Rotor, Green	100.00
1 Stiff Leg. L. F. Motor Cycle 2 Drum Houst & 3/4 Yard	
Clamshell Bucket	900.00
1 Galv. Iron Tank 5500 Gal.	
1 " " 12000 "	250.00
1 Smith 27 L. Paver Wisconsin #1775	<u>375.00</u>
	4,560.00

Harris County

1 Asphalt Distribr. on Liberty Truck #20612	: 1,200.00
1 Marine Boiler mounted on Rubber Tired Trailer	1,000.00
1 Austin Western Rotary Sweeper	160.00
1 Fordson Rubber Fired Tractor	100.00
1 Fordson Two Wheel Roller	400.00
1 Chevrolet Truck #T4658210	350.00
1 6' Grader	<u>50.00</u>
	3,250.00

Fort Stockton

1 Liberty Oil Distributor # 17449	: 1,000.00
1 March Steam Oil Wagon	50.00
1 25 H.P. Starting Comps. tor	
1 25 H.P. G.I. motor	200.00
4 Ford Trucks (Trade in Values)	3,688.00
1 1926 Chevrolet Truck # 4017	275.00
1 Austin Western street Sweeping Brush	150.00
1 Hot Asphalt Fire Wagon	25.00
1 1927 Ford Roadster # 14972450	275.00
4 14 x 16 Tents	60.00
1 35 bbl. Iron Fuel Oil Tank	100.00
3 Miles	800.00
2 48" Fresnoes	30.00
1 36" Fresnoe	15.00
1 10" Backhand Plow	10.00
1 Army Wagon	25.00
2 5½" Wagons Complete	150.00
1 8 ton Tandem Buffalo Springfield Roller Shop # 13527 Motor # 72562	<u>2250.00</u>
	9,102.00

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1 10 ton Buffalo motor		
DR66 No 108964	2,050.00	
1 E. & H. Crane f 3019 Motor		
f 131609	8,400.00	
1 Smith Mixer 3 h.p. Fuller		
Johnson f 161478	65.00	
1 Chevrolet Coupe f 316043	734.00	
1 Ford Truck f 586445	759.00	
1 Grader road King	100.00	
1 Water Wagon	75.00	
2 4' Fretwicks	50.00	
1 Rrow	15.00	
2 Miles	200.00	
1 Rooter	15.00	
3 Rents	30.00	
4 Wheelbarrows	20.00	
1 Buckfiller Board	10.00	
2 Tin Water Troughs	20.00	
1 Army Wagon tea	10.00	<u>✓ 12,545.00</u>

Austin

4 Liberty Trucks	✓ 1,800.00	
1 Ford Sedan	<u>525.00</u>	3,325.00

Brownsville

Warehouse & Truck Equipment	✓ 800.00	800.00
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1 Ford Sedan San Augustine Superintendent's Car	✓ 650.00	
1 Ford Sedan, T. E. Stone Houston	<u>625.00</u>	1,175.00

Furniture & Fixtures Schedule B ✓ 3,761.85

Austin office

1 Desk	✓ 92.00	
1 Chair Swivel	26.00	
2 Straight Chairs	15.00	
1 Clock	10.00	
1 Fan	20.00	
1 Stenographer Desk	52.00	
1 Chair Swivel	22.00	
1 Costumer	7.50	
1 Typewriter	102.50	
1 Micro-File	31.00	
2 Steel Four drawer files	30.00	
2 Chairs	41.00	
1 Chair	25.00	
3 Chairs	60.00	
1 File	33.25	
1 File	53.40	
2 Small Files	11.50	
2 Cuspidors	7.00	
1 Cabinet	47.85	
2 Tables	13.00	
1 Check Protector	35.00	
1 Adding Machine	100.00	
1 Numbering Machine	15.00	<u>✓ 980.00</u>

Houston Office

1 Desk	✓ 108.00	
1 Swivel Chair	22.50	
2 Straight Chairs	35.00	
1 Rug	50.00	
1 Davenport	20.00	
1 Telephone Stand	20.00	
1 Desk	53.00	
2 Swivel Chairs	40.00	
1 Table- Oak	25.00	
2 Steel files	88.00	

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2 Steel Files	\$ 100.00
1 Cabinet	47.85
1 Stenographer Desk	45.00
1 Typewriter	30.00
2 Burroughs Adding Machines	150.00
1 Telephone Table	6.50
1 Swivel Chair	15.00
1 Straight Chair	13.50
2 Arm Chairs	28.00
1 Desk	22.50
2 Straight Chairs	27.00
1 Safe	50.00
1 Hall-Tree	7.50
1 Check Protector	<u>65.00</u>
	\$ 1,111.55

Corpus Christi

1 Desk	\$ 40.00
4 Straight Chairs	35.00
1 Adding Machine Sundstrand	125.00
1 Typewriter	30.00
1 Typewriter Table	6.00
1 Steel File	48.00
1 Table- Oak	18.00
1 Hall-Tree	<u>7.50</u>
	309.50

Brady

1 Adding Machine	\$ 90.00
1 Typewriter	35.00
1 Desk	20.00
3 Straight Chairs	20.00
4 Tables	<u>16.00</u>
	161.00

Miscellaneous

1 Portable Typewriter	\$ 60.00
1 Portable Typewriter	60.00
1 Adding Machine	<u>90.00</u>
	210.00

Real Estate Schedule C \$ 27,000.00

Georgetown Warehouse	\$ 6,000.00
Part of Lots 2 & 3, Block	
49 Georgetown, Texas	
Austin Warehouse	17,000.00
Lots 1, 2, 3, 4, & 8, Block	
24 of the original town of	
Austin	
Spur Track, Houston	<u>4,000.00</u>

NOTES PAYABLE 64,978.90

Union National	\$ 15,000.00
Federal Trust Co.	1,251.34
Smith Bros.	2,200.00
American National	56,524.56
C. M. Bartholomew	6,250.00
C. M. Bartholomew	1,000.00
Secured by Mortgage on	
Austin Warehouse	
B. P. Clark Co.	<u>2,753.00</u>

ACCOUNTS PAYABLE 56,489.56

Austin Office	\$ 31,663.04
Houston Office	<u>24,826.52</u>

Sub-Contractors	
M. B. Gore	\$ 657.27
B. E. Ross	560.28
C. W. Shearer	<u>36.40</u>
	1,253.95

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PROOF OF PAYMENT

STATE OF TEXAS

COUNTY OF TRAVIS

Before me, the undersigned authority, on this day personally appeared Herman Brown, George R. Brown, W. A. Woolsey and D. G. Young, known to me, who having been by me first duly sworn on oath each says for himself:

That they comprise the present Board of Directors of Brown & Root, Inc.; that the full amount of the shares of increased capital stock of said company having a par value has been in good faith subscribed and Two Hundred and Fifty Thousand (\$250,000.00) Dollars thereof, being at least fifty percent paid in.

That the following are the names and postoffice addresses of the parties subscribing to the shares of the increased capital stock which have a par value:

<u>NAME</u>	<u>POSTOFFICE ADDRESS</u>
Herman Brown	Austin, Texas,
George R. Brown	Houston, Texas,
W. A. Woolsey	Austin, Texas.

That the amount subscribed by each and the amount paid by each on the shares of increased capital stock which have a par value are as follows:

<u>NAME</u>	<u>AMOUNT SUBSCRIBED</u> (Common)	<u>AMOUNT PAID</u> (Common)
Herman Brown	\$355,000.00	\$177,500.00
George R. Brown	125,000.00	62,500.00
W. A. Woolsey	20,000.00	10,000.00

That the above subscriptions were paid as follows:

By transfer from earned surplus - - - \$240,056.45
(per financial statement attached)

In cash - - - - - 9,945.55
Total Paid In - - - - - \$250,000.00

Dated this 10th day of March, A. D. 1956.

W. A. Woolsey
H. M. Brown
D. G. Young
G. R. Brown
Directors of
Brown & Root, Inc.

Subscribed and sworn to before me this 10th day of March,



A. D. 1956.

Mary Lee Apine
Notary Public in and for

Travis County, Texas.

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STATEMENT

BROWN & ROOT, INC. - HOUSTON & AUSTIN, TEXAS

December 31, 1935

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T. B. TROTTER COMPANY
AUDITORS-ACCOUNTANTS

HOUSTON
PUBLIC NAT'L BANK BLDG.

AUSTIN
LITTLEFIELD BLDG.

T. B. TROTTER
CERTIFIED PUBLIC ACCOUNTANT

STATEMENT.....BROWN & ROOT, INC....HOUSTON & AUSTIN, TEXAS

December 31, 1935

ASSETS

CURRENT

CASH

Petty Cash Funds	\$ 111.22
On Deposit	<u>112,786.99</u>
STATE & CITY WARRANTS (\$2,000.00 Past Due)	40,230.38

ACCOUNTS RECEIVABLE

Approved Estimates	\$176,861.55
Retainage	<u>58,555.19</u>
Other Trade Accounts	5,049.64
Gas Tax Refundable	<u>7,848.36</u>

CONTRACTS RECEIVABLE

21,519.74

INVENTORY

Materials on Hand	-1,989.87
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BID DEPOSITS

Certified Checks	<u>31,700.00</u>	\$456,652.94
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DUE FROM AFFILIATED COMPANIES

Notes Receivable	\$ 12,000.00
Accounts Receivable (Net)	<u>14,617.87</u>
	26,617.87

OTHER ASSETS

Miscellaneous Deposits	\$ 2,500.08
Cash Value of Life Insurance	4,841.81
Miscellaneous Accounts Receivable	<u>37,669.15</u>
	45,011.04

PERMANENT

Real Estate	\$ 26,187.50
Buildings	<u>16,625.23</u>
Machinery & Equipment	286,831.83
Furniture & Fixtures	5,281.35
Spur Track	234.55
Machine Shop	<u>6,440.20</u>
	\$315,413.16
Less: Allowance for Depreciation	<u>\$201,361.43</u>
Less: Equity South Texas Transportation Company	<u>12,000.00</u>
	213,361.43
	102,051.73
	128,239.23

DEFERRED CHARGES

Prepaid Insurance	\$ 747.70
Prepaid Auto Licenses	669.63
Prepaid Taxes	62.20
Leaseholds	<u>1,649.30</u>
Less: Amount Amortized	<u>659.70</u>
	989.60
	2,469.13
	\$658,990.21

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LIABILITIESCURRENTNOTES PAYABLE

For Money Borrowed from Banks	\$ 500.00
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ACCOUNTS PAYABLE

For Purchases, Expenses, Etc.	\$ 79,643.87
Personal Accounts	16,986.39
Other Credit Balances	9,461.61
Bank Overdrafts	<u>700.99</u>
	106,192.86

ACCRUED

State, City & County Taxes	\$ 1,302.12
Payroll	1,181.22
Commissions	<u>10,684.19</u>
	13,167.53 \$119,860.39

RESERVE FOR INCOME TAX

26,300.20

JOB INCOMPLETE

Estimates Received	\$1,094,600.85
Less: Cost	<u>1,021,827.65</u>
	72,773.17

NONREALCAPITAL STOCK

Authorized & Issued	\$ 200,000.00
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PROFIT & LOSS-SURPLUS

Balance 1-1-35	\$110,941.73
Plus: Adjustments-Net	<u>6,246.45</u>
Net Profit for the year ended 12-31-35	<u>122,868.24</u>
	240,056.45
	<u>440,056.45</u>
	8658,990.21

WE HEREBY CERTIFY that we have audited the books of account and record of BROWN & ROOT, INC. - HOUSTON & AUSTIN, TEXAS, with respect to Assets and Liabilities as of the close of business December 31, 1935. Cash Funds were fully verified. Accounts Receivable were proved by trial balance of the individual ledgers. Based upon information furnished us, it is our opinion that the total amount of these accounts are collectible. Other Assets were fully verified. Real Estate Owned and Permanent Accounts are shown at book values, less depreciation, and are without appraisal by us. Deferred charges are, in our opinion, proper items to appear herein. Liabilities were fully verified by us and certificate was obtained from a responsible official of the Company that to the best of his knowledge and belief full provision had been made for all ascertained Liabilities at December 31, 1935. Based upon our examination, together with information furnished us, it is our opinion that the above statement correctly reflects the financial condition of BROWN & ROOT, INC. - HOUSTON & AUSTIN, TEXAS, as of the close of business December 31, 1935.

HOUSTON, February 5, 1936.

T. B. TROTTER COMPANY

T. B. Trotter
Certified Public Accountant

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